



STATE OF WASHINGTON
DEPARTMENT OF RETIREMENT SYSTEMS
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DATE: January 19, 2001

TO: Potential Respondents

FROM: Scott Koura, Department of Retirement Systems
Request for Proposals (RFP) Coordinator

SUBJECT: RFP to Procure Consulting Services

Enclosed is the Washington State Department of Retirement Systems (DRS) Request for Proposals (RFP) to obtain one or more firm(s) to provide components of a Transfer/New Member Plan Choice Education Program for the members of Public Employees' Retirement System (PERS) Plan 2. We encourage you to submit a proposal.

All PERS Plan 2 employees, who work for state agencies, higher education and local government, will have the option of transferring to PERS Plan 3. PERS Plan 3, to be implemented in two phases beginning March 1, 2002 and September 1, 2002, is an Internal Revenue Code Section 401(a) plan, with combination defined benefit/defined contribution components. The Transfer Education/New Member Plan Choice firm(s) selected will provide customized educational services to assist existing PERS Plan 2 members with the decision to transfer to PERS Plan 3 or remain in PERS Plan 2, and assist future PERS-eligible members with the choice of enrolling in PERS Plan 2 or PERS Plan 3.

Please see section 4.5 of the enclosed RFP for additional information regarding the timeline for submitting proposals. If you have any questions, please submit them in writing to me at the address below.

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STATE OF WASHINGTON
DEPARTMENT OF RETIREMENT SYSTEMS
OLYMPIA, WASHINGTON

REQUEST FOR PROPOSALS

RFP NO. 1150

PROJECT TITLE: **TRANSFER EDUCATION/NEW MEMBER PLAN
CHOICE EDUCATION SERVICES FOR PUBLIC
EMPLOYEES' RETIREMENT SYSTEM PLAN 3**

PROPOSAL DUE DATE: **February 23, 2001**

**EXPECTED TIME PERIOD
FOR CONTRACT:** **MAY 2001 THROUGH JUNE 2003**

CONSULTANT ELIGIBILITY: This procurement is open to those companies that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

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EXHIBITS

- A. Number of New Members by County and Employer Type
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- B. SERS Plan 3 & TRS Plan 3 Member Handbooks
- C. Number of PERS Plan 2 Members by County and Employer as of December 2000
- D. PERS Plan 2 Active Member Age Breakdown and Service Credit Breakdown
- E. SERS Plan 3 Newsletters
- F. Executive Order on Records Privacy
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Washington State Department of Retirement Systems

REQUEST FOR PROPOSALS 1150

TRANSFER EDUCATION/NEW MEMBER PLAN CHOICE EDUCATION SERVICES FOR PUBLIC EMPLOYEES' RETIREMENT SYSTEM PLAN 2

1. Introduction

1.1 BACKGROUND

The Department of Retirement Systems (DRS) is a state agency created by the 1976 Washington State Legislature. The enabling legislation is found in Chapter 41.50 Revised Code of Washington (RCW). DRS currently administers the state's seven public sector retirement systems with 12 separate plans that have a combined total value of approximately \$47 billion. The retirement systems and plans are Public Employees' Retirement System (PERS) Plan 1 and Plan 2; Teachers' Retirement System (TRS) Plan 1, Plan 2 and Plan 3; Law Enforcement Officers' and Fire Fighters' Retirement System Plan 1 and Plan 2; the Washington State Patrol Retirement System; the School Employees' Retirement System (SERS) Plan 2 and Plan 3; the Judicial Retirement System, and the Judges' Retirement Fund. All are defined benefit plans, with the exception of TRS Plan 3, and SERS Plan 3 which are dual hybrid defined benefit/defined contribution plans.

Historically, PERS employees have established membership in a specific plan based on their date of hire. PERS Plan 1 is for employees who established membership before October 1, 1977. PERS Plan 2 is for employees who established membership on or after October 1, 1977. The *PERS Plan 2 Member Handbook* may be helpful to vendors interested in more information on the PERS Plan 2 defined benefit. The handbook and other information on PERS Plans is available online at <http://www.wa.gov/DRS/member/pers/>

Overview of Legislative Purpose

The 2000 Legislature created a new optional defined benefit/defined contribution (DB/DC) plan for the employees of state, higher education and local government employers. The plan will provide new and current PERS Plan 2 members with the option of joining the new hybrid DB/DC plan, which will provide similar retirement benefits and services provided to members of TRS Plan 3 and SERS Plan 3, as well as some flexibility in retirement planning. The structure and administration of PERS Plan 3 are differentiated from the traditional PERS Plan 2 defined benefit structure by the following features and components:

- A defined benefit calculated with a 1 percent formula that is funded by employer contributions, and a defined contribution account consisting of member contributions plus the full investment return accumulated on those contributions.
- Two investment programs in which PERS Plan 3 members can invest their contributions in defined contribution accounts: 1) a default investment option known as the Washington State Investment Board–Total Allocation Portfolio (WSIB-TAP) managed by WSIB, made available at no additional cost to the member, and 2) a series of Self-Directed investment options providing exposure to most major asset classes with associated administrative expenses paid by electively participating membership.
- Contribution rate options established by the Washington State Department of Retirement Systems Employee Retirement Benefits Board (ERBB).
- An opportunity for PERS Plan 2 members to make an irrevocable decision to transfer their service credit, membership and accumulated PERS Plan 2 employee contributions to PERS Plan 3.
- A transfer payment for PERS Plan 2 members who transfer to Plan 3 during the open window and earn service credit in February 2003. For state and higher education members, the transfer payment will equal 110 percent of the contributions and interest in their accounts on March 1, 2002. For local government members, the transfer payment will equal 111 percent of the contributions and interest in their accounts on March 1, 2002.
- An ongoing gain sharing mechanism whereby extraordinary investment returns earned by the combined Plan 2/3 trust funds are shared with Plan 3 membership.
- A retroactive gain sharing mechanism for members transferring by 2002 for gain sharing payments earned in year 2000 and year 2002.
- A range of defined contribution account distribution options, including annuity options authorized by the ERBB and administered by DRS and the record keeper.
- Ongoing opportunity for new employees eligible for membership in PERS to select either PERS Plan 2 or PERS Plan 3 within a 90-day time frame.
- An annual opportunity each January for PERS Plan 2 members who did not transfer and who earn service credit in January to transfer to Plan 3, albeit without the transfer payment.

Implementation for Current Members

Currently there are approximately 126,000 PERS Plan 2 members working for state agencies, higher education and local government employers who will have the option of transferring to PERS Plan 3. PERS Plan 2 members will be able to transfer during two phases:

- Phase I (March 1, 2002, through August 31, 2002) provides the transfer window for approximately 69,000 PERS Plan 2 state agency and higher education employees.
- Phase II (September 1, 2002, through May 31, 2003) provides the transfer window for approximately 57,000 PERS Plan 2 local government employees.

PERS Plan 2 members who transfer to Plan 3 during the open window and earn service credit in February 2003 will receive a transfer payment equal to 110 percent of the contributions and interest in their accounts on March 1, 2002, for state and higher education members, and 111 percent for local government members. Members who do not elect to transfer to PERS Plan 3 will remain in PERS Plan 2. Each January, these members will have an opportunity to transfer (without a transfer payment) to Plan 3 if they earn service credit in January.

The legislation requires that the new PERS Plan 3 be implemented on March 1, 2002. All PERS Plan 1 members will stay in PERS Plan 1. PERS Plan 2 members employed by school districts and educational service districts became members of SERS on September 1, 2000. SERS Plan 2 and Plan 3 will continue to be a separate retirement system from PERS Plan 2 and Plan 3.

The number of members who will transfer to PERS Plan 3 is unknown. When the legislation creating PERS Plan 3 passed, the fiscal note estimated that based on past TRS history, that two-thirds of transfer-eligible PERS Plan 2 members will transfer to PERS Plan 3: approximately 43,000 state agency and higher education employees and approximately 38,000 local government employees. These numbers are based on the 122,000 eligible PERS Plan 2 participants at that time.

Implementation for Future Members

Persons first hired in PERS-eligible positions on or after March 1, 2002, as employees of state agencies and higher education employers, will have 90 days from the date of eligibility to decide whether to select membership in either PERS Plan 2 or PERS Plan 3. Persons first hired in PERS-eligible positions on or after September 1, 2002, as employees of local government employers will also have 90 days from date of eligibility to decide whether to select membership in either PERS Plan 2 or PERS Plan 3. During the 90-day period, the member will be reported to DRS in PERS Plan 2 with appropriate member and employer contributions. If the member selects PERS Plan 3, all service credit and employer contributions will be transferred to the members' Plan 3 defined benefit. All

employee contributions plus any interest earned will be transferred to the members' Plan 3 defined contribution account. New employees who fail to select a plan during the 90-day period will default to PERS Plan 3. They will default to contribution rate option A (5 percent) and into the WSIB-TAP fund if no investment program and contribution rate option are selected. Members who select PERS Plan 2 will not be able to transfer to PERS Plan 3 at a later date.

Between December 1, 1999, and November 30, 2000, PERS employers reported 12,106 new PERS Plan 2 members to DRS. Of that number, 7,042 members work for state agency and higher education employers and 5,064 of these members work for local government employers. See Exhibit A for a detailed listing of new employees by employers.

1.2 PURPOSE

DRS is seeking to retain one or more qualified firms to provide Transfer and New Member Choice Education Services to assist:

- current PERS Plan 2 members with the decision of whether to transfer to PERS Plan 3 or remain in Plan 2, and
- future PERS-eligible members with the choice of whether to enroll in PERS Plan 2 or PERS Plan 3.

These services are described in more detail in Scope of Services, section 2, of this RFP.

In delivering these services to its members, DRS requires that education services are impartial and unbiased and that the choice of which plan to participate in must be the member's. There is no goal that any minimum number or percentage of current or future members elects to participate in one plan or the other. DRS must provide information, materials and tools to fully inform members of the factors affecting their decision.

1.3 PERIOD OF PERFORMANCE

The period(s) of performance of the contract(s) to provide Transfer and New Member Plan Choice Education Services for PERS members resulting from this RFP, is tentatively scheduled to begin May 2001. Depending on the nature of the education services provided, the length of the contract(s) will vary. For purposes of proposing Transfer Education Services, Respondents may assume that the contract(s) would extend through June 2003. For purposes of New Member Plan Choice Education Services, Respondents should assume contract(s) will extend through June 2003.

DRS will have two opportunities to extend the contract, each for a period of one (1) year, subject to legislative funding.

1.4 BID REQUIREMENTS

Disclosure

The Respondent must disclose in the bid if it will sub-contract for the development and/or provision of any portion of services. DRS retains the right to review and approve any and all sub-contractors. Disclosure must include identification of the positions, their responsibilities and how the Respondent will monitor the sub-contractors to ensure contract and service level compliance.

1.5 DEFINITIONS

“ADA” shall mean the Americans with Disabilities Act.
“Apparently Successful Respondent(s)” shall mean the Respondent(s) selected by DRS as the most qualified entity to perform the stated services.
“Director” shall mean the agency employee authorized by RCW 41.50.020 who serves as the executive and administrative head of DRS.
“DRS” shall mean the Washington State Department of Retirement Systems as described in Chapter 41.50 RCW.
“ERBB” shall mean Washington State Department of Retirement Systems Employee Retirement Benefits Board, which determines defined contribution rate options for TRS, SERS and PERS Plan 3, and provides advice to WSIB on investment options.
“Education Service Vendor” shall mean an entity intending to submit or submitting a proposal for the project.
“ICMA RC” shall mean ICMA Retirement Corporation, current record keeper for TRS/SERS Plans 3.
“OSA” shall mean the Office of the State Actuary of Washington.
“PERS” shall mean Washington State Public Employees’ Retirement System.
“Personal information” shall mean information collected by a state agency about a person that is readily identifiable to that specific individual.

“Respondent” shall mean an entity intending to submit or submitting a proposal for the project.
“RFP” shall mean this Request for Proposals, any addendum or erratum thereto, Respondents’ written questions and the respective answers, and any related correspondence that is: (1) addressed to all Respondents and (2) signed by the Director, Deputy Director, their designee, or the RFP Coordinator.
“SERS” shall mean Washington State School Employees’ Retirement System.
“TRS” shall mean the Washington State Teachers’ Retirement System.
“WSIB” shall mean the Washington State Investment Board.

Contract definitions are provided on page one of the Sample Contract, which is Appendix 1 of this RFP.

1.6 TRS/SERS PLAN 3 DEFINED CONTRIBUTION SUMMARY

The provisions of the defined contribution portion of TRS/SERS Plan 3 are summarized below. It is expected that PERS Plan 3 will provide similar benefits. Contribution rate options are subject to ERBB approval. Investment Options for the Self-Directed options will be selected by WSIB. Additional information can be found in the *Teachers’ Retirement System Plan 3* and *School Employees’ Retirement System (SERS) Plan 3 Member Handbooks*, Exhibit B of this RFP.

Plan 3 Defined Contribution Summary

Type of Plan	401(a) – dual hybrid plan with defined contribution component
Member Contributions	Mandatory – Percentage of pay, 6 rate options: <div> Option A: All ages 5% fixed Option B: Up to age 35 5% Ages 35 to 44 6% Age 45+ 7.5% Option C: Up to age 35 6% Age 35 to 44 7.5% Age 45+ 8.5% Option D: All ages 7% fixed Option E: All ages 10% fixed Option F: All ages 15% fixed </div>
Deposit Frequency	Up to daily
Member Investment Direction	Yes

Investment Options Note: The ERBB is charged with recommending to the WSIB the types of options available for the Self-Directed program. DRS anticipates that the PERS Plan 3 Self-Directed Investment Program will be similar to that provided to SERS Plan 3 and TRS Plan 3.	SERS Plan 3 and TRS Plan 3 currently have the following investment program options: 1. “WSIB Investment Program” which is made up of the Total Allocation Portfolio (TAP) managed by the Washington State Investment Board. 2. “Self-Directed Investment Program” funds include: <ul style="list-style-type: none"> • Washington State Bond Market Fund • U.S. Stock Market Index Fund • U.S. Large Stock Index Fund • International Stock Index Fund • U.S. Small Stock Index Fund • Money Market Fund There are also three pre-mixed portfolio funds made up of percentages of the funds listed above. These are the: <ul style="list-style-type: none"> • Short-Horizon Fund • Mid-Horizon Fund • Long-Horizon Fund
Frequency of Valuation	1. WSIB-TAP: monthly valued 2. Self-Directed Investment Program: daily
Investment Management and Related Fees	1. WSIB Investment Program: Fees paid by the state 2. Self-Directed Investment Program: Disclosed but netted prior to calculation of Net Asset Value
In-service Withdrawals	Not available
Loans	Not available, not permitted
Vesting	Defined contribution, 100% immediate
Member Statements	Quarterly
Payout Elections	May be deferred until minimum required distribution date
Rollovers	To other qualified plans and Individual Retirement Accounts
Payout Options	TAP: Lump sum and installment payments
	Self-Directed: Lump sum, installment payments, and annuities
Administrative Structure	Unbundled

Note: All plan provisions are preliminary and subject to change.

1.7 TRANSFER EDUCATION PROCESS

Transfer Window Period

The legislation provides for the following implementation periods:

- Phase 1 (March 1, 2002, through August 31, 2002) provides the transfer window for approximately 69,000 PERS Plan 2 state agency and higher education employees.
- Phase 2 (September 1, 2002, through May 31, 2003) provides the transfer window for approximately 57,000 PERS Plan 2 local government employees.

Transfer Education Period

So that members can begin to make transfer elections when the transfer windows open on March 1, 2002, and September 1, 2002, DRS has established the following tentative Transfer Education timetable. The number and timing of newsletters and some deliverables may be amended based on stakeholder feedback.

Activity	Timing
DRS mails first Plan 3 PERS newsletter to members	March 2001
Transfer Education Service vendor(s) selected	March 2001
Transfer Education Service vendor(s) contract(s) negotiated, signed and filed with OFM	March to May 2001
Transfer Education program planning and implementation	May to December 2001
DRS mails second PERS newsletter	September 2001
Phase 1 informational material mailings to members begin	September 2001
Video and software available for Phase 1 members	September 2001
Members' telephone service center and Internet site operational for PERS Phase 1 members to access	September 2001
Seminar schedule published; registration process for seminars available to members	September 2001

Activity	Timing
Phase 1 group and individual transfer education sessions	January to August 2002
Phase 1 transfer window opens	March 1, 2002
New Member Plan Choice education for Phase 1 begins	March 2002
DRS mails third PERS newsletter	March 2002
Phase 2 informational material mailings to members begin	March 2002
Video and software available for Phase 2 members	March 2002
Members' telephone service center and Internet site operational for PERS Phase 2 members to access	March 2002
Seminar schedule published; registration process for seminars available to members	March 2002
Phase 2 group and individual transfer education sessions	July 2002 to May 2003
Phase 1 transfer window closes	August 31, 2002
Phase 2 transfer window opens	September 1, 2002
New Member Plan Choice education for phase 2 begins	September 2002
Phase 2 transfer window closes	May 31, 2003

Transfer-Eligible Population

As of **December 2000**, there were approximately 126,000 PERS Plan 2 active members. For purposes of this RFP, this approximate number will often be used for pricing purposes. For more specific details on the number of employers and members within each of the two groups by county, please see Exhibit C.

PERS Plan 2 employees work in a variety of jobs, ranging from highly skilled professional level positions (city administrators, government executives) to very manual-focused activities, such as grounds-keepers and janitorial positions. PERS Plan 3 education tools must be developed and delivered to fit the needs of this diverse audience.

There is considerable turnover in many positions; approximately 45 percent of transfer-eligible PERS members have less than five years of service credit (see Exhibit D for breakdown of service credit and age of participants). Average account balance for members is \$16,059.

There will be a portion of the eligible members for whom English is not their primary language. In addition, there will be a broad range of education levels and individuals with disabilities in the population. Additional factors that will affect the transfer education program schedule are the varying work schedules of the PERS Plan 2 employees, the significant number who work part-time, and the geographic dispersal of PERS Plan 2 members throughout the rural areas of Washington State.

In addition to coordinating education activities with PERS Plan 2 employers, Education Service Vendors will be required to coordinate with members' unions to ensure educational tools are delivered to all PERS Plan 2 members.

1.8 NEW MEMBER PLAN CHOICE EDUCATION PROCESS

Plan Choice Election Period

The legislation provides that:

- Employees of state agencies and higher education employers first hired in PERS-eligible positions on or after March 1, 2002, will have 90 days from the eligibility start date to select membership in either PERS Plan 2 or PERS Plan 3.
- Local government employees first hired in PERS-eligible positions on or after September 1, 2002, will also have 90 days from the eligibility start date to select membership in either PERS Plan 2 or PERS Plan 3.

Plan Choice Election Process

So that each member can make an informed election on whether to choose Plan 2 or Plan 3, DRS has established the following plan choice election process. On or around the employee's date of hire, the employee will receive a plan choice education packet from the employer. The employee will then have 90 days from his or her date of eligibility to decide whether to enroll in PERS Plan 2 or PERS Plan 3. During the 90-day election period the employee will be able to take advantage of the various education support tools (such as video, Web site, modeling software, in-person group sessions, etc.) that are described in more detail in Section 2, Scope of Services, below.

The employer will be responsible for obtaining the employee's election form from the employee by the end of the 90-day election period, and enrolling the employee

in his/her chosen plan. New employees who fail to select a plan during the 90-day period will default to Plan 3. They will default to contribution rate option A (5 percent) and into the WSIB-TAP fund if no investment program and contribution rate option are selected. Members who select PERS Plan 2 will not be able to transfer to PERS Plan 3 at a later date, as all plan choices are irrevocable.

2. SCOPE OF SERVICES

As indicated above, there are two education processes:

- the two-phase transfer education window and
- the new member plan choice education process.

DRS is responsible for overseeing and coordinating Transfer Education and New Member Plan Choice Education Programs to assist each current member in deciding whether to transfer to PERS Plan 3 or remain in PERS Plan 2 or, for new hires, whether to enroll in PERS Plan 2 or PERS Plan 3. DRS and its selected Education Service Vendor(s) are responsible for ensuring that all educational services and materials are accurate and impartial and adequately disclose all features of both PERS Plan 2 and PERS Plan 3.

To accommodate members with disabilities, upon request of a member, materials must be modified and provided in the requested alternative format (e.g., Braille, large print, audio tape, etc.). Services provided must be in compliance with the Americans with Disabilities Act (ADA). The Education Service Vendor(s) must also be prepared to provide appropriate translations of materials and translators and/or bi-lingual presenters for workshops, as required. All services discussed in this paragraph will be provided at a pre-approved fee to be determined by the Education Service Vendor and DRS during the contracting process.

The services expected of Education Service Vendor(s) are outlined below. Some of the services may be modified as a result of information currently being evaluated from the recent SERS transfer education program. DRS will evaluate Education Service Vendor RFP responses based on the services outlined below. The services are outlined in modular format. DRS will select one or more Education Service Vendors to provide some or all of these services. Respondents are encouraged to bid on one or more modules. A separate price must be provided for each module. The Respondent's price for any module should include the costs for coordinating the development and delivery of the module's service with DRS and one or more other Education Service Vendor(s). Price should also include maintenance and distribution costs where requested. In addition, Respondents proposing more than one module are required to provide the associated price reductions (if any) if they are selected to provide more than one module.

Respondents are permitted to propose alternative approaches, if such an approach could provide a benefit or cost savings to DRS or Plan members.

2.1 DRS Member Communication Activities

Current Member Transfer Education

DRS will be responsible for initially notifying PERS Plan 2 members of the transfer opportunity. The initial announcement newsletter is expected to be mailed by DRS to member homes in March 2001. A copy of the announcement newsletter prepared by DRS for the SERS Plan 3 transfer process can be found in Exhibit E of this RFP and at <http://www.wa.gov/DRS/member/sers/mbr1.pdf> on the DRS Web site.

DRS will send additional newsletters to PERS Plan 2 members and employers throughout the two-phase transfer education process. DRS will also incorporate basic PERS Plan 3 rights and benefits information in the regular workshops and retirement seminars that it conducts for members. In addition, the PERS Plan 3 record keeper will conduct member Plan 3 investment education sessions that will describe the investment options available under Plan 3.

New Member Plan Choice Education

Employers will distribute education materials to new employees. These materials will be provided to employers by DRS or through a referral to an Education Service Vendor. DRS will also incorporate new member plan choice education into DRS seminars, educational materials and support staff services.

Oversight, Coordination and Monitoring of Education Service Vendor(s)

Education Service Vendor(s) must deliver information in an unbiased and professional manner. Vendors must provide a balanced and impartial presentation of both PERS Plan 2 and PERS Plan 3 so members will be able to make an informed transfer decision. Because of these requirements, DRS will regularly audit and review the education programs. Problems identified by DRS will be brought to the Education Service Vendor's attention and corrected or remedied in the manner called for under the Vendor's contract with DRS.

The Education Service Vendor(s) selected will be expected to coordinate with DRS and other Education Service Vendor(s) to provide materials, including information and/or copies on all aspects of their services to DRS including:

- All materials provided to plan members.
- Outlines used by presenters to conduct educational sessions.
- Copies of all audio/visual material used by presenters.
- All other educational and modeling materials and how they can be obtained, and locations and times of in-person group educational sessions (on a weekly basis).

- Descriptions of, and how to access, member education support services.

In addition to reviewing all materials, DRS representatives will periodically attend In-Person Group and Individual Education Sessions and may also arrange to monitor communications provided by the Web site and Telephone and E-mail Support Services.

It is expected that the Education Service Vendor will prepare the first draft of all communication materials according to input provided by DRS communications staff. DRS will be responsible for review and comment and may request significant edits and redrafting of materials. Respondents should assume that there will be three drafts of materials required. The Education Service Vendor will also be required to provide communication materials to DRS in file formats that DRS can use to ensure files are efficiently exchanged between DRS and the Education Service Vendor. DRS currently uses a PC platform using Microsoft Office software (Word, PowerPoint, Excel version 97, SR-2), PageMaker version 6.5 and PhotoShop version 5.5. DRS anticipates upgrading to a Windows 2000 operating system environment in 2001 and the accompanying Office 2000 Suite.

All materials produced from contract(s) resulting from this RFP will become the property of DRS.

DRS is in the process of implementing an imaging system. The Education Service Vendor will be required to develop designated member forms in Optical Character Reader (OCR) and Intelligent Character Recognition (ICR) compatible format. The Vendor will be required to coordinate forms development with DRS staff.

All communication materials prepared by an Education Service Vendor, including all instructional materials and computer software programs, must be reviewed and approved by DRS, WSIB and the Office of the State Actuary (OSA) prior to use by the Education Service Vendor.

2.2 Modules

Respondents can bid on one, several or all modules. Respondents must provide a description and proposed price for each module they bid on. They must also provide any differences in price if the module is provided on a stand-alone basis or in conjunction with one or more of the other services. Respondents should also supply price differences based on different product and distribution scenarios within some of the modules.

For purposes of proposing and pricing each of these modules, please separate the costs of the initial transfer education from the cost of the new member plan choice education. The cost for developing content presented in your Fee Proposal should include only the costs for modifying and adapting the Transfer Education product to fit the New Member Plan Choice requirements.

Respondents are encouraged to propose service packages that they believe would result in comprehensive and cost-efficient education campaigns.

Under all modules, vendors will be responsible for working with DRS to update materials if legislative actions change project business requirements.

In all modules, assume services provided are provided at the vendor's expense unless another party is specifically charged with financial responsibility.

This RFP contains five principal modules and one optional module. Some of the modules contain more than one primary service. All of the modules contain both an Initial Transfer Education component and a New Member Plan Choice component. These modules are described on the pages that follow.

In brief, the modules and services are:

- 2.2.1 Written Materials Module
 - 2.2.1a PERS Plan 3 Informational Mailings
 - 2.2.1b In-Person Educational Materials
- 2.2.2. Modeling Software Module
- 2.2.3 Video Module
- 2.2.4 Web Site Module
- 2.2.5 Support Module
 - 2.2.5a Toll Free Telephone and E-mail Support Services
 - 2.2.5b In-Person Group Education Sessions
 - 2.2.5c In-Person Individual Education Sessions
- 2.2.6 Optional PERS 3 Online Tutorial

The optional module, 2.2.6 Optional PERS 3 Online Tutorial, is a request for interested vendors to develop a proposal for DRS consideration.

2.2.1 Written Materials Module

The Written Materials module is broken into two sections by the content of the materials. The first piece, PERS Plan 3 Informational Mailings, will be mailed directly to members by the Vendor and is the primary written material for members' transfer decision. The second piece, In-Person Educational Materials, will be provided to the Vendor who provides In-Person Group Education Sessions as part of the Support Services Module (Module 2.2.5).

2.2.1.a. PERS Plan 3 Informational Mailing

Initial Transfer Education Informational Mailings

Under this module, the selected Education Service Vendor will be required to write, design, print and mail (first-class) to members all written materials needed to fully communicate the differences between PERS Plan 2 and PERS Plan 3 and the possible effect a transfer, including the transfer payment, will have on members' future retirement benefits. These materials must fully educate members on the benefits, rights and features of both PERS Plan 2 and PERS Plan 3 in an unbiased manner. The material must provide instructions on steps necessary to make the election to transfer if the member decides a transfer is in his or her best interest.

Written materials should also clearly indicate the deadline for making the decision, and that the decision to transfer is irrevocable. The materials should explain that current PERS Plan 2 members who did not transfer to PERS Plan 3 during the initial transfer window will have an opportunity to transfer each January (provided they earned service credit in that month), but that there would be no transfer payment. The mailed material must include all relevant election forms, waivers and notices and also fully describe the information and tools available, including support available by telephone, voice response, Internet or In-Person Educational Sessions, etc. The materials must clearly explain that any member who does not complete an election form will remain in PERS Plan 2.

This mailing must include a form that the member can mail, fax or send by e-mail to request available supplemental materials, as decided by DRS, such as a modeling diskette and/or video. The Educational Service Provider will be responsible for the distribution of the Video produced in Module 2.2.3 and Software produced in Module 2.2.2 of this RFP. Both Video and Software will require padded packaging that will be paid for by the Education Service Vendor.

Members who elect to transfer are required to complete and sign an election form which acknowledges that their election to transfer is irrevocable. DRS will prepare this form and the vendor will be responsible for printing it.

In addition to explaining the transfer decision, the materials must briefly describe the provisions and investment options under PERS Plan 3 and inform members that in-depth PERS Plan 3 investment education is available from the PERS Plan 3 record keeper. It must also contain a brief discussion of the impact contributions to Washington State's Deferred Compensation Program (DCP) will have on a member's plan choice and retirement planning. More information about DCP can be accessed at <http://www.wa.gov/DRS/dcp/>

The selected Education Service Vendor will be required to mail the material (first-class) to all eligible members. For pricing purposes, assume 126,000 mailings to

addresses provided by DRS and 4,000 copies to DRS. The contents and appearance of the mailing is still under discussion, but for pricing purposes please assume the mailing is in the form of a Transfer Decision Packet that includes the following elements:

- A glossy, full-color folder.
- 25 pages of text.
- 3 forms.
- A postcard to request additional materials.
- The capacity to hold a video and diskette.

The Education Service Vendor will be responsible for providing distribution pricing based on three different scenarios:

1. Mailing of Transfer Decision Packet, including video and software, to all PERS Plan 2 members (assume 126,000) in two waves, based on the transfer window dates (Phase 1 -- 69,000 members, Phase 2 -- 57,000 members)
2. Mailing of Transfer Decision Packet, without the video, to all PERS Plan 2 members (assume 126,000) in two waves, based on the transfer window dates (Phase 1 -- 69,000 members, Phase 2 -- 57,000 members)
3. Mailing Videos and Software independently to those PERS 2 members who request a copy. Under this scenario, the Respondent should assume that members mail software requests on postcards. The Education Service Vendor must mail a video or software to that member within 72 hours. The Education Service Vendor will also need to provide a listing of members who have been sent software. For pricing purposes, assume 40,000 videos and 40,000 software diskettes are mailed directly to members' homes, at the members' request.

New Member Plan Choice Informational Mailings

Under this module, the selected Education Service Vendor will be required to appropriately modify materials developed for the transfer education program for new PERS members. These materials will be printed and mailed in bulk to employers for distribution at the vendor's expense. The content of the materials will be changed based on plan choice elements. For instance: clearly identifying the 90-day irrevocable choice deadline.

The primary piece will be a plan choice decision packet that will give members an unbiased overview of the two plans and the issues associated with making a choice between them. It should also include illustrations of expected benefits under several scenarios. For pricing purposes, assume the packets will have the same elements as the transfer packet described above.

The selected Education Service Vendor will be responsible for writing, designing, printing and mailing an adequate supply of these materials and distributing them, as requested by DRS and/or employers, to the various employer work-sites. The

employers will distribute these materials to the employee. Vendor will work with DRS and employers to ensure that members receive the materials.

A secondary piece will be a reminder mailing, mailed (first-class) directly to new hires to remind them of the 90-day timeline for their decision. DRS will provide an electronic mail list.

For pricing purposes, Education Service Vendors must assume that 20,000 copies of the written materials must be distributed to employers using first-class mail. In addition, the initial mailings will be followed-up with 20,000 reminder mailings, mailed directly to members using first-class mail. DRS will also need a supply of 4,000 initial mailings for distribution to employers and in-house use.

Under the Alternative Service Proposal, Respondents are invited to propose other informational materials that it believes will further assist members in the Plan Choice Decision process and provide a communication strategy that explains both its vision for the alternative product and its proposed distribution.

2.2.1.b. In-Person Educational Materials

Initial Transfer Educational Materials

The In-Person Group Education Sessions described in Module 2.2.5b will require visual aids and materials to enhance the in-person presentation of information. The concepts and information to be presented are highly technical. The materials must be designed to present this information in a member-friendly manner. These materials must be appropriate to all education levels.

These materials will cover the same topics discussed in the PERS Plan 3 Informational Mailing in the Initial Transfer Education section. These topics include:

- Unbiased presentation of differences between PERS Plan 2 & 3.
- Possible effect of transferring.
- Plan benefits, rights and features.
- Instructions on steps to make transfer election.
- Instruction forms.
- Deadlines for transferring (transfer windows).
- Irrevocable decision.
- Remaining in PERS Plan 2 if no choice is made.
- How to request additional tools.
- Description of available education materials.
- Brief description of PERS Plan 3 investment options.
- Impact of optional contributions to DCP
- January open window for existing PERS Plan 2 members.

The Respondent's proposal should fully describe the materials that it is proposing and how these materials will ensure that attendees receive the necessary information in an easy-to-understand format. These materials will likely include:

- Scripts for In-Person Group Education Sessions
- Handouts
- Evaluation form for attendees
- Visual presentation materials (PowerPoint)

DRS may request that presentation materials designed to be viewed on a personal computer, such as a PowerPoint presentation, be available to the agency on compact disk (CD) in a compatible format, for distribution as needed and requested by members, stakeholders, or employers.

For pricing purposes, the Education Service Vendors must assume that they will produce and mail 126,000 copies of individual materials (for example, handouts and evaluation forms) to the Education Service Vendor that is contracted to provide the Support Services module. DRS will require an additional 4,000 copies of the individual materials to be mailed to DRS for internal use. Also assume that 500 copies of the presenters' materials (for example, PowerPoint presentations and scripts) will be mailed to the Education Service Vendor that is contracted to provide the Support Services module. DRS will require an additional 100 copies of the presenters' materials to be mailed to DRS for internal use.

New Member Plan Choice Materials

The In-Person Group Education Sessions described in Module 2.2.5b will also require visual aids and materials to enhance the in-person presentation of information to the New Member Plan Choice audience. These materials will have the same elements as discussed in the Transfer Section above.

These materials will cover the same topics discussed in the PERS Plan 3 Informational Mailing in the New Member Plan Choice section. These topics include:

- Unbiased presentation of differences between Plan 2 & 3
- Possible effect of plan choice
- Plan benefits, rights and features
- Instructions on steps to make plan choice decision
- Instruction forms
- Deadline for making plan choice (90 days)
- Irrevocable decision
- Default to Plan 3 if no choice is made
- How to request additional tools
- Description of available education materials
- Brief description of PERS Plan 3 investment options

- Impact of optional contributions to DCP

The materials and accessibility requirements will be the same as those listed in the Transfer section above.

For pricing purposes, Education Service Vendors must assume the following costs are incurred annually. The Education Service Vendor will produce and mail 15,000 copies of individual materials (for example, handouts and evaluation forms) to the Education Service Vendor who is contracted to provide the Support Services module. DRS will require an additional 1,000 copies of the individual materials to be mailed to DRS for internal use. Also assume that 50 copies of the presenters' materials (for example PowerPoint presentations and scripts) will be mailed to the Education Service Vendor who is contracted to provide the Support Services module. DRS will require 15 additional copies of the presenters' materials to be mailed to DRS for internal use.

2.2.2 Modeling Software Module

Initial Transfer Education Software

Under this module the selected Education Service Vendor will be required to work with DRS and the OSA to develop a customized computer modeling software program.

The software must enable members to compare the benefits they can expect to receive from each plan based on various assumptions for such factors as:

- Contribution level.
- Rate of return.
- Life expectancy.
- Payout method.
- Derived amount of transfer payment (value can be zero).
- Current age.
- Expected years of additional service.
- Anticipated date of initiating defined contribution payment.
- Optional contributions to DCP
- Retroactive gainsharing.*

*Gainsharing occurs when earnings for the state retirement fund average more than 10 percent over a four-year period. The portion over 10 percent is declared "extraordinary gains." The four-year average is measured, and gainsharing benefits are paid to eligible Plan 3 members in January of even-numbered years.

Since the transfer payment is subject to legislative changes, the software must provide for this variable to be changed by the member. Vendors must provide an

hourly rate for maintenance to the software, to accommodate changes that may be required after the software has been approved or is in production.

The software must allow members to save the results of different scenarios based on different assumptions. The software must be available in Macintosh and IBM Personal Computer compatible format. The software must be able to run on the following platforms:

- Macintosh OS 7.x -- OS 9.x
- Windows 95, 98, & Me
- Windows NT & 2000

Additionally, the Education Service Vendor must ensure that software is able to run on any new platforms by Apple Computers or Microsoft that are released during the term of the contract. Web-enabled modeling software must support a minimum requirement of Netscape or Internet Explorer fourth generation browsers.

This modeling software will be:

- Installed on the laptop computers used by an Education Service Vendor's representatives at in-person individual and group educational sessions.
- Provided in diskette form in an adequate supply to the Education Service Vendor that will provide both phone and e-mail Support Services.
- Installed in both a downloadable and interactive version on a Web site the Education Service Vendor will provide and maintain during the Transfer Education campaign.
- Provided to DRS for its use in counseling PERS Plan 2 and Plan 3 members.

For pricing purposes, please indicate the cost of both producing the software and mailing the software (to the Written Materials Vendor identified in Module 2.2.1) based on the following production demands:

- 25,000 copies
- 50,000 copies
- 100,000 copies
- 130,000 copies

Under all distribution options, the Education Service Vendor must provide DRS with 4,000 copies of the software for its use and distribution to employers.

New Member Plan Choice Education Software

The software developed for the transfer education program must be modified to provide information for new members who have the choice of either PERS Plan 2 or Plan 3. The software must enable members to compare the benefits they could expect to receive from each plan based on the factors listed above, with two changes:

- Delete reference to transfer payment,

- Include total expected years of service.

This modeling software will be:

- Installed on the laptop computers used by a Education Service Vendor's representatives at In-Person Group and Individual New Member Plan Choice Educational Sessions and for Telephone and Email Support Services(assume 200 diskettes).
- Installed in both a downloadable and interactive version on the Web site the Education Service Vendor will provide and maintain during the New Member Plan Choice Education campaign.
- Provided to DRS for its use in counseling new PERS Plan 2 members (assume 100 diskettes).
- Mailed to the Written Materials Vendor identified in Module 2.2.1 (assume 5,000 diskettes.).

2.2.3 Video Module

Initial Transfer Education Video

Under this module the selected Education Service Vendor would be responsible for preparing a video that would discuss the following items:

- Explain the key differences between PERS Plan 2 and PERS Plan 3 in an unbiased manner.
- Describe the transfer decision process.
- Summarize the important issues and considerations that will most affect members.
- Provide a step-by-step approach to evaluating the effect a transfer would have on the member.
- Reference Modeling Software.
- Give instructions on how to initiate a transfer.
- Provide information about where to access additional information.

The video should provide a relatively comprehensive explanation of the transfer decision process. It is expected this video should be less than **30** minutes long.

DRS is currently investigating production and distribution options for the video.

For pricing purposes, please indicate the cost of both producing the video and mailing (to the Written Materials Vendor identified in Module 2.2.1) based on the following production demands:

- 25,000 copies
- 50,000 copies

- 100,000 copies
- 130,000 copies

Under all distribution options, the Education Service Vendor must provide DRS with 4,000 copies of the video for its use and distribution to employers.

Under all alternatives please consider that DRS may provide video materials on the Transfer Education Web site via streaming video. Respondents choosing to bid on this module should note any additional costs associated with making the video compatible with this format. The Education Service Vendor will be required to update the video when necessary due to potential changes in transfer payment amounts, procedures or other legislatively mandated changes. All changes are subject to DRS approval.

Vendors, that would like to review the video produced by the SERS project, can contact RFP Coordinator, Scott Koura, to obtain a copy.

New Member Plan Choice

Under this module, the selected Education Service Vendor would be responsible for modifying the content of the transfer education video to create a new video that focuses on a new member's enrollment choice. The video will not include any references to the transfer payment. In all other respects, it will include the same items listed above in the Transfer Education section.

This video should be prepared to replace or supplement the In-Person Group Education Sessions. This video would be a detailed and comprehensive explanation of the plan decision process and would be approximately 20 to 30 minutes long.

Videos will be mailed to the Written Materials vendor identified in Module 2.2.1 of this RFP. For pricing purposes, assume 15,000 copies are mailed to the Written Materials Vendor. In addition 1,000 copies are mailed to DRS for its use.

2.2.4 Web Site Module

Initial Transfer Education Web site

Under this module, the selected Education Service Vendor would be responsible for building and maintaining an Initial Transfer Education Web site. In addition to providing general information on the transfer process, the Web site must include any actions affecting the plans and must be updated weekly with current information regarding the schedule for, and locations of, In-Person Transfer Education Sessions. The Web site must provide a facility for members to:

- request informational materials, including transfer decision modeling diskettes,
- schedule attendance at a group transfer education session or an individual counseling session,
- input data into financial modeling software, save scenarios and print output results,
- download materials, including transfer decision worksheets and modeling software,
- access streaming video and interactive surveys and
- request customer support for technical issues.

This Web site must be a unique site for the use of PERS Plan 3 members only. In addition, the Educational Service Vendor will work closely with DRS Web development staff to ensure that all Internet privacy guidelines are enforced as outlined in the Governor's Executive Order 00-03 and the DRS Internet Privacy Statement (see Exhibits F and G).

The Web site must also provide links to the Web sites maintained by DRS and the PERS Plan 3 record keeper.

To review the DRS site, go to <http://www.wa.gov/drs>

To review the SERS Plan 3 site maintained by the SERS transfer education provider, Educational Technologies, Incorporated (ETI) go to:

<http://www.fin-ed.com/SERS/sers2orsers3.html>

To review the TRS/SERS Plan 3 site maintained by the current record keeper, ICMA Retirement Corporation (ICMA RC), go to:

<http://www.icmarc.org/plan3>

The selected Education Service Vendor will be responsible for working with DRS, the PERS Plan 3 record keeper and other Education Service Vendor(s) to host the work of other Education Service Vendor(s). The Education Service Vendor will also be responsible for providing consistent information and presentation. Materials must also be accessible to individuals with disabilities.

The Education Service Vendor must provide a mechanism for DRS to contact the Vendor 24 hours/day - in the event that problems with the site are discovered outside the vendor's regular business hours.

New Member Plan Choice Web site

Under this module, the selected Education Service Vendor would be responsible for setting up a New Member Plan Choice Education Web site. In addition to providing information on the plans and plan choice, the Web site must include any actions affecting the plans, and must be updated weekly with current information regarding the schedule for, and locations of, New Member Plan Choice Education Sessions. The Web site must provide the same facilities, access, privacy

protection, links, hosting services, accessibility and a 24 hour contact as discussed in the Transfer Section above.

2.2.5. Support Services Module

2.2.5a Toll Free Telephone and E-mail Support Services

Initial Transfer Education – Toll Free Telephone and E-mail Support

As part of this module, the selected Education Service Vendor would be responsible for providing complete toll-free member telephone and e-mail support. The telephone portion of this support service must have a messaging capability that will allow members who call after regular business hours to request materials or information and schedule attendance at a group or individual transfer education session.

The selected Education Service Vendor shall maintain an adequate number of staff, toll-free telephone lines, and computers to provide the services described in detail below.

This service must have a first line of dedicated staff who can provide basic support services such as sending requested materials, answering routine questions, scheduling attendance at education sessions and/or setting up individual counseling sessions.

In addition, since there will be a number of members who may not wish to attend a group or individual counseling session and/or who will be unable to use the modeling software or transfer decision worksheets, there must be a second level of telephone support staffing. The representatives providing this second level of staffing must be able to provide all the counseling services that would be provided during a group or individual counseling session, including generating and mailing a comparison estimate to the member upon request. If unavailable to provide such counseling at the time of a phone call, a selected Education Service Vendor's member service representative shall return a participant's call on the next business day, including Saturdays when applicable, as discussed below. Members requesting informational materials must have that information mailed within one business day of the call.

The selected Education Service Vendor must respond to customer phone calls within 30 seconds.

All telephone calls must be recorded, and tapes of these calls maintained in a retrievable location for at least six months. In addition, the Education Service Vendor must provide DRS with monthly reports on the telephone support service activity, including but not limited to, purpose of calls, abandoned calls and

volumes of calls. (See Exhibit H, Sample ERBB Report, for a sample activity report.)

The selected Education Service Vendor must respond to customer e-mail within one business day.

All e-mails must be maintained in a retrievable location for at least six months. In addition, the Educational Service Vendor must provide DRS with monthly reports on e-mail support service activity, including but not limited to, purpose and volume of e-mail.

The selected Education Service Vendor shall ensure that the personnel answering the member service line are qualified to provide unbiased information on the transfer decision and to discuss investment concepts and retirement planning. The selected Education Service Vendor shall ensure that such information is provided in a manner consistent with any applicable laws and that all personnel who provide such information are properly licensed with all required regulatory agencies, if applicable. Vendor should expect to collaborate with DRS to produce a question/answer document to assist staff in answering phone calls.

The telephone service number must be TDD/TTY capable. The member service representatives must be available to answer participant questions between the hours of 8:00 a.m. Pacific Time and 6:00 p.m. Pacific Time each business day.

The selected Education Service Vendor must track, identify trends, and respond to member questions and complaints. Trends in member questions and complaints must be reported to DRS weekly, along with the identified root cause and proposed strategy to resolve the issue. Any significant individual member complaints not resolved within three working days must also be brought to DRS's attention.

During the TRS Plan Transfer Education process, which had 35,731 members eligible to transfer, the vendor retained to conduct transfer education processed over 9,000 phone calls over 12 months, 43 percent of which occurred in the last three months of the transfer window, and the average duration of calls exceeded 20 minutes. In addition, during the SERS Plan Transfer Education process, which had approximately 45,000 members eligible to transfer, the vendor retained to conduct the SERS transfer education processed approximately 3,200 phone calls and e-mail requests from January of 2000 through November of 2000. The average time spent on calls was 14.9 minutes. The transfer window for SERS ends February 28 2001, so final statistics are not available. This data is provided for background information and is in no way intended as an indication of the number or length of calls that can be expected relative to the PERS Transfer Education process.

Education Service Vendors should include in their proposal an explanation of how they will accommodate requests for non-English language services.

New Member Plan Choice Toll Free Telephone and E-mail Support

The New Member Plan Choice Telephone and E-mail Support Services will provide the same features discussed in the Initial Transfer Education section.

2.2.5b In-Person Group Education Sessions

Initial Transfer Education Sessions

As part of this module, the selected Education Service Vendor would be responsible for conducting an adequate number of group meetings so that all eligible members are given the opportunity to easily schedule and attend an In-Person Group Education Session at a convenient location.

The group meetings must be conducted with expected attendance to be no more than **30**. Once sufficient attendance-to-enrollment ratio data has been established, overbooking of the group meetings may be allowed. The meetings will be required to be held at different locations and at different times of the day, including Saturdays. While most meetings will be held after 5:00 PM, DRS will require that some of the meetings be held during business hours to facilitate both alternative work schedules and the attendance of spouses. Information on the employment locations by county and an estimate of the number of eligible members at each employer location can be found in Exhibit C.

The schedule for the group meetings must be developed in coordination with DRS. The selected Education Service Vendor will be required to coordinate with the state agency employers, higher education employers, participating local government employers and unions to schedule appropriate rooms for the group sessions. All sessions must be held in locations that meet the Americans with Disabilities Act (ADA) accessibility criteria, and reasonable accommodations must be made for members and/or their spouses who have disabilities. Members must be asked if they require any reasonable accommodations for disability when they register for group sessions.

During the TRS Plan 3 Transfer Education process, the vendor conducted approximately 700 group educational sessions to over 12,000 members. During the SERS Plan 3 Transfer Education process, which had approximately 45,000 members eligible to transfer, the vendor is expected to have conducted approximately 750 initial group educational sessions with over 22,500 members in attendance. See Exhibit I.

DRS expects that approximately 4,000 group meetings will be necessary to conduct the two-phase transfer education process. The selected Education Service Vendor is responsible for providing an adequate level of qualified staff to coordinate and conduct the required number of meetings. Respondents may propose a greater number of meetings. Additional meetings will be considered in context of the price of proposed services and the Respondent's description of how the additional benefits justify the costs. Respondents are invited to provide various numbers of meetings with their respective costs in their Fee Proposals. For pricing purposes, assume 2,200 group education sessions will be conducted during phase 1 (from January 2002 through August 2002) and that 1,800 sessions will be conducted during phase 2 (July 2002 – May 2003). It should be noted that presenters' travel expenses are the responsibility of the Respondent and must be included in the fee that your Company is proposing.

Only personnel qualified to provide unbiased information on the transfer considerations can conduct the group transfer education sessions. Personnel must be knowledgeable in all aspects of defined benefit, defined contribution plans, DCP, the basics of investing and retirement planning.

The selected Education Service Vendor will be responsible for providing:

- An unbiased presentation of both plans.
- Comprehensive defined benefit/defined contribution plan overview.
- Provisions and investment options under the defined contribution plan.
- Clear information about the transfer process.
- An overview of the Modeling Software.
- Information about how to attend investment education seminars conducted by the PERS Plan 3 record keeper.

The selected Education Service Vendor will also be responsible for ensuring that members understand that they must submit a transfer election form to their employer by the close of the transfer window and that their election to transfer is irrevocable.

The group meetings must be conducted using the visual aids and materials prepared by the Education Service Vendor selected to provide the services described in Written Materials (Module 2.2.1). Sessions will also incorporate the Modeling Software (Module 2.2.2).

Each meeting should be scheduled so that one hour is available at the conclusion to address the specific questions of individuals' although it is not expected that individual counseling using the member's information would be provided during the Group Education Session.

Vendors should be prepared to provide teleconferencing options at some locations.

The Educational Service Vendor will be responsible for working with presenters to document and review evaluation feedback and make necessary adjustments to presentations. A summary of evaluation documentation must be presented to DRS monthly. Vendor will also be responsible for keeping workshop statistics that track the location and attendance at meetings. These statistics will also be provided to DRS monthly.

The Educational Service Vendor will present In-Person Group Session(s) at DRS for staff as needed.

The Educational Service Vendor will promote group sessions by providing posters to PERS 2 employers. See Exhibit J for an example of the announcement letter and poster used to advertise for SERS workshops.

New Member Plan Choice Education Sessions

Under this module, the selected Education Service Vendor would be responsible for conducting *monthly* group meetings so that all newly eligible group members are given the opportunity to easily schedule and attend a group education session at a convenient location. For pricing purposes, assume that 125 meetings need to be conducted monthly for groups of 30 participants. The sessions will be scheduled throughout the state in coordination with PERS employers and DRS.

New Member Plan Choice Education sessions may be presented as part of Transfer Education Group Sessions during the overlap of the two campaigns. After the transfer windows have closed, the monthly New Member Plan Choice Education Sessions may also be held in conjunction with new employee orientation meetings held by employers. Although Respondents may propose higher or lower levels of staffing, each lower level of staffing proposed should explain how an adequate number of in-person sessions will be provided, and each higher level should explain how the additional benefits justify the costs.

The session scheduling, staffing, meeting timeframe and evaluation requirements outlined in the Transfer Education Group Sessions also apply to the New Member Plan Choice Group Sessions.

The selected Education Service Vendor will also be responsible for communicating to members that they are required to submit their enrollment/election/waiver form to their employer within 90 days from their date of eligibility.

2.2.5c In-Person Individual Education Sessions

Initial Transfer Education In-Person Sessions

As part of this module, the selected Education Service Vendor would be responsible for conducting individual meetings for those members who wish to obtain more detailed and personalized information.

Both the Modeling Software and Written Materials will be available during these sessions.

The selected Education Service Vendor will be required to coordinate with state agencies, higher education and participating local government employers to schedule appropriate rooms for the individual sessions. Sessions will coincide with date and location of In-Person Group Sessions. For pricing purposes, use the assumptions identified in section 2.2.5.b. The Education Service Vendor will be expected to schedule Individual Sessions, (assuming three Individual sessions each hour) for a total of three hours. These nine sessions can occur before or after the In-Person Group Sessions, as is most appropriate.

Sessions will:

- Be scheduled individually and in advance.
- Last no more than 20 minutes.
- Provide members with personalized information, but not advice about their transfer decision.

New Member Plan Choice

The Service provided in the New Member Plan Choice Individual Sessions will have the same components as the Transfer Education Individual Sessions, but will change in content. New Member Plan Choice Individual Sessions will clearly explain that transfer payment is not available to new members, and remind new members of their 90 day window to choose plans.

2.2.6 Optional Online Tutorial

DRS is investigating the possibility of providing an Online Tutorial for our Transfer Education/New Member Plan Choice campaigns. We are requesting that interested Education Service Vendors submit proposals for an Online Tutorial that interactively educates members about:

- Differences between Plan 2 and Plan 3.
- Transfer and Plan Choice considerations.
- Potential retirement benefits under each plan.

We expect this tutorial to be interactive, using appropriate technologies that might include or merge: video, audio and software applications.

For example, Transfer Education Vendor could propose to merge the modules 2.2.2 Modeling Software and 2.2.3 Video into one product. Vendor would propose utilizing the Video footage to augment and explain the Modeling Software.

Proposals should include as much detail as possible and all cost assumptions made based on the Education Services Vendor's particular approach. Please also identify platform and system requirements, cost savings or other issues related to your proposal.

Provide your proposal as an independent attachment to your submission. Because this module is exploratory, it will not be graded as part of the RFP. Instead proposals will be discussed and evaluated as DRS identifies the final services it will offer members.

3. EDUCATIONAL SERVICE VENDOR QUALIFICATIONS

As of ***December 31, 2000***, Respondents must satisfy ***all*** of the following mandatory minimum qualifications as outlined below in order to be considered for the contract award.

- A. The Respondent must accept the written contract provided by DRS. The Respondent must have the approval of the Respondent's legal representative to the contract format set forth in Appendix 1, prior to submittal of a proposal.
- B. Neither the Respondent, nor its subcontractors or affiliates or their officers or employees shall have a material conflict with DRS or its consultant, William M. Mercer Investment Consulting, Inc.
- C. The Respondent must agree to provide the services as detailed in Section 2, Scope of Services, as well as all other requirements as stated in the RFP.
- D. The Respondent will be required to provide DRS with proof of all applicable insurance including, but not limited to, errors and omissions or malpractice insurance prior to the start of work.

RESTRICTIONS: Any Respondent which, either as a parent company, subsidiary, or affiliate is currently performing consulting services for DRS may not compete in this procurement. This restriction does not apply to a Respondent who is currently providing recordkeeping, transfer education or investment education services for the TRS/SERS Plan 3, DCP, or PERS Plan 3.

The firm(s) or any subsidiary, affiliate or parent company thereof, selected as a result of this procurement may not compete during the term of the resulting contract, any

extensions thereto, in any subsequent DRS procurement, the main purpose of which is to hire a firm or firms for consulting purposes. Companies holding alliance, partnership, or other business affiliations with William M. Mercer Investment Company, the Consultant assisting DRS in the Education Service Vendor process, will be excluded from eligibility to respond to this RFP. Respondents must indicate their understanding and agreement to this by signing the Certification and Assurances statement, which is Exhibit A at the end of this RFP.

4. GENERAL INFORMATION FOR RESPONDENTS

4.1 RFP COORDINATOR

The RFP Coordinator, Scott Koura is the sole point of contact for this selection action. Throughout the duration of the procurement process, all questions and other communications concerning the procurement are to be directed, in writing, to the contact listed below. **Unauthorized contact regarding the procurement with other DRS staff or its consultant, William M. Mercer Investment Company Inc., after issuance of this RFP will disqualify the Respondent.**

Washington State Department of Retirement Systems
P.O. Box 48380
Olympia, WA 98504-8380
ATTN: RFP Coordinator Scott Koura,
Department of Retirement Systems
P.O. Box 48380
Olympia, WA 98504-8380
360-664-7306 - phone
360-753-5397 – fax
360-586-5450 - TDD
scottk@drs.wa.gov – e-mail

Any questions regarding this RFP must be in writing or by e-mail, and must be received at DRS by 5:00 p.m. Pacific Time, **February 2, 2001**. Answers to questions will be posted on the DRS Web site on February 9, 2001. The URL **<http://www.wa.gov/DRS/agency/vendors/>** will take you to specific vendor information on the DRS website.

4.2 SUBMISSIONS

Submittal of ten (10) copies of the proposal is required. Two copies must have original signatures and eight copies can have photocopied signatures. One of the ten copies must be unbound. The unbound copy must contain original signatures and must be marked “Master Copy.”

The ten (10) copies of the proposal shall be received at the following address on,

or before, 5:00 p.m. Pacific Time **February 23, 2001**:

Washington State Department of Retirement Systems
Post Office Box 48380
Olympia Washington 98504-8380
or street address:
6835 Capitol Blvd
Tumwater Washington 98501
ATTN: Scott Koura, RFP Coordinator

Respondents mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals by the RFP Coordinator, Scott Koura. **Proposals may not be transmitted using electronic media such as facsimile transmission or electronic mail.** Notwithstanding the provisions of RCW 1.12.070, postmarks will not be considered as date received for the purposes of this RFP. Late proposals will not be accepted, nor will time extensions be granted.

The outside of the proposals packaging is to clearly identify the RFP being responded to, including the RFP number (1150).

All proposals and accompanying documentation become the property of DRS and will not be returned.

4.3 PROPOSAL FORMAT

All proposals must be on eight and one-half by eleven (8 ½ x 11) inch paper and placed in binders with tabs separating the major sections of the proposal. The sections shall include:

- 1) Letter of Submittal, including signed Certification and Assurances (Appendix 3);
- 2) Executive Summary;
- 3) Responses to Questions;
- 4) Fee Proposal; (Appendix 2) and
- 5) Any supplemental information the Respondent wishes to include relevant to this RFP.

Responses should be in the order outlined in this RFP.

4.4 SIGNATURES

The Letter of Submittal and the Certifications and Assurances form must be signed and dated by a person authorized to legally bind the Respondent to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship.

4.5 ESTIMATED SCHEDULE OF ACTIVITIES

Event	Date
Issue RFP	January 19, 2001
Written Questions due from Education Service Vendors	February 2, 2001
DRS response to vendor questions posted to DRS Web site	February 9, 2001
Proposals due	February 23, 2001
Evaluation Period	February 28 – March 8, 2001
Interviews, if necessary	March 19 - 23, 2001
Announcement of apparently successful Respondent(s)	March 30
Contract negotiations	April 2 – May 11, 2001
Contract(s) for PERS education services begin	May 2001

4.6 FILING REQUIREMENT

Under the provisions of Chapter 39.29 RCW, Contract(s) resulting from this RFP are required to be filed this personal services contract is required to be filed with OFM. No contract required to be so filed is effective, and no work thereunder shall be commenced, nor payment made therefor, until ten (10) working days following the date of filing and until approved by OFM. In the event OFM does not approve the contract, the contract shall be null and void.

4.7 FAILURE TO COMPLY

The Respondent is specifically notified that failure to comply with any part of the RFP will result in rejection of the proposal as non-responsive.

4.8 REVISIONS TO THE RFP

DRS reserves the right to revise the RFP and/or to issue addenda to the RFP. DRS also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract. In the event it becomes necessary to revise any part of the RFP, addenda will be provided to all those who received the RFP.

4.9 MINORITY & WOMEN-OWNED BUSINESS PARTICIPATION

In accordance with the legislative findings and policies set forth in chapter 39.19 RCW, the state of Washington encourages participation in all of its contracts by

firms certified by the Office of Minority and Women's Business Enterprises (MWBE). Participation may be either on a direct basis in response to this solicitation or on a subcontractor basis. However, no preference will be included in the evaluation of proposals, no minimum level of MWBE participation shall be required as a condition for receiving an award, and proposals will not be rejected or considered non-responsive on that basis. Any affirmative action requirements set forth in federal regulations or statutes included or referenced in the contract documents will apply.

4.10 SUBMISSION LIMIT

After submission, Respondents will not be allowed to amend the proposal. Responses consisting solely of marketing materials are not acceptable and will be rejected.

4.11 MOST FAVORABLE TERMS

Although DRS reserves the right to make an award without further discussion, DRS may initiate discussions, should clarification or negotiation be necessary. Respondents should be prepared to provide qualified personnel to discuss technical and contractual aspects of the proposal.

The "Best and Final Offer" is an option available to DRS under the RFP process, allowing one or more respondents to submit a best and final offer. Respondents should not submit a Best and Final Offer unless contacted by DRS. DRS reserves the right to negotiate with the Apparently Successful Vendor for any type or combination of fee structures.

4.12 OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or DRS to contract for service(s) specified herein. The Apparently Successful Vendor is advised that the contract is valid and enforceable only if sufficient funds have been appropriated. In addition, the contract is subject to any additional restrictions, limitations, or conditions enacted which may affect the provisions, terms or funding of the contract in any manner.

4.13 COSTS TO PROPOSE

DRS will not be liable for any costs incurred by the Respondent in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

4.14 COMMITMENT OF FUNDS

The Director of DRS is the only individual who may legally commit DRS to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

4.15 INSURANCE COVERAGE

The Respondent must indicate in the letter of submittal and as a condition of contract award, that the Respondent will provide proof of insurance from the Respondent's insurance carrier, showing compliance with the insurance requirements set forth below.

The Company awarded the contract shall, at the Company's own expense, obtain and keep in force insurance coverage which shall be maintained in full force and effect during the term of the contract. The Company shall provide evidence in the form of a Certificate of Insurance that insurance shall be provided, and a copy shall be forwarded to DRS within fifteen (15) days of receipt of notice of award.

Liability Insurance

- 1) **Commercial General Liability Insurance:** The Company shall maintain general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL insurance shall be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured's (cross liability) condition.

Additionally, the Company is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

- 2) **Business Auto Policy:** As applicable, the Company shall maintain business automobile liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Business auto coverage shall be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

- 3) **Errors or Omissions or Malpractice insurance** with a limit not less than \$5,000,000.

Employers Liability (“Stop Gap”) Insurance

In addition, the Company shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Additional Provisions

The insurance policy shall include the following additional provisions:

- 1) **Additional Insured.** The state of Washington, DRS, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.
- 2) **Cancellation.** State of Washington, DRS, shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accordance with the following specifications. Insurers subject to Chapter 48.18 RCW (The Insurance Contract); the Insurer shall give DRS 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, DRS shall be given ten- (10) days advance notice of cancellation.
Insurers subject to Chapter 48.15 RCW (Unauthorized Insurers), DRS shall be given twenty (20) days advance notice of cancellation. If cancellation is due to non-payment of premium, DRS shall be given ten- (10) days advance notice of cancellation.
- 3) **Identification.** Policy must reference DRS’s contract number and the agency name.
- 4) **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business with the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best’s Reports. Any exception shall be reviewed and approved by DRS, or the Risk Manager for the State of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW (Unauthorized Insurers) and Chapter 284-15 WAC (Surplus Line Insurance).

- 5) **Excess Coverage.** By requiring insurance herein, DRS does not represent that coverage and limits will be adequate to protect the Company, and such coverage and limits shall not limit the Company's liability under the indemnities and reimbursements granted to DRS in this contract.

Workers' Compensation Coverage

The Contractor shall provide or purchase applicable workers' compensation insurance coverage prior to performing work under this contract. DRS will not be responsible for payment of workers' compensation premiums for this Company, or any subcontractor or employee of Company, which might arise under the workers' compensation insurance laws during performance of duties and services under this contract. Should the Company fail to secure workers' compensation insurance coverage or fail to pay premiums on behalf of its employees, DRS may deduct the amount of premiums owing from the amounts payable to the Company under this contract and transmit the same to the appropriate workers' compensation insurance fund.

4.16 SITE SECURITY

Any contractors on site must comply in all respects with physical, fire and other agency security regulations as well as complying with all agency practices, standards and policies. For example, contractors must use all state resources appropriately as identified in agency and state policies.

4.17 PROTECTION OF PERSONAL INFORMATION USED BY VENDOR

The vendor warrants and represent that personal information used by DRS employees shall only be used for purposes directly related to the Contractor's responsibilities while performing and/or administering the work of the contract. Unless authorized by law or court order, Vendor (including its agents, employees, or subcontractors) is prohibited from and shall not disclose, use, sell, share, or transfer personal information of the Department's employees to third parties.

Vendors will be required to return all information, pertaining to members and their accounts, to DRS at the end of the contract.

For purposes of this RFP Personal information shall mean information collected by a state agency about a person that is readily identifiable to that specific individual.

5. EXECUTIVE SUMMARY

Provide a high level summary of your proposal, highlighting the strengths, experiences, and background of your Company. The summary should be no more than three pages in length.

6. QUESTIONNAIRE FOR PERS 3 TRANSFER/NEW MEMBER PLAN CHOICE EDUCATION PROGRAM

In providing your Company's responses to the questions below, restate each question in bold face type with your response directly below. Your Company's proposal, and consequently your responses to the following questions, will be incorporated as part of the contract between your Company and DRS. For proposals made as joint ventures, requested information should be provided for all companies that will be a party to the proposed services.

**6.1 PROPOSED SERVICES OVERVIEW –
RESPONDENTS MUST ANSWER ALL QUESTIONS IN SECTION 6.1**

1. Give the name and address of your Company. Provide the name, title, address, telephone and fax numbers, and e-mail address of the person from your Company whom we may contact with questions regarding your response.
2. Indicate (in the table on next page) the modules that you are proposing to provide. For each module, your Company must be able to provide all the services and accept all the terms as outlined in this RFP and Exhibits. If your Company can provide substantially all of the services in a module but you require an exception to some specific provision of this RFP, state the reason for the exception and the substitution offered. Alternative proposals, as permitted in this RFP, should be provided under your response to Section 7.4. In addition provide below any comments, assumptions or information that will assist in the review of your proposed services for each module. Although the Initial Transfer Education and New Member Plan Choice Education Services are combined and Education Service Vendors will be required to provide both program education services within the module, Respondents must submit a separate price for each program within the module (Initial Transfer Education and New Member Plan Choice). (See Fee Proposal, Appendix 2.)

Service Module	Proposing Services – Yes/No	Exception Requested- Yes/No	Comments, Assumptions or Information
Initial Transfer Education/New Member Plan Choice Education			
Module 2.2.1 –Written Materials <ul style="list-style-type: none"> Written Information Mailing Materials <ul style="list-style-type: none"> Initial Transfer New Member Plan Choice In-Person Group Educational Materials <ul style="list-style-type: none"> Initial Transfer New Member Plan Choice 			
Module 2.2.2 –Modeling Software <ul style="list-style-type: none"> Transfer Decision Modeling Software New Member Plan Choice Modeling Software 			
Module 2.2.3 –Video <ul style="list-style-type: none"> Initial Transfer Video New Member Plan Choice Video 			
Module 2.2.4 –Web Site <ul style="list-style-type: none"> Initial Transfer Web site New Member Plan Choice Web site 			
Module 2.2.5 –Support <ul style="list-style-type: none"> Toll Free Telephone and Web Support Services <ul style="list-style-type: none"> Initial Transfer New Member Plan Choice In-Person Group Education Sessions <ul style="list-style-type: none"> Initial Transfer New Member Plan Choice In-Person Individual Education Sessions <ul style="list-style-type: none"> Initial Transfer New Member Plan Choice 			
Module 2.2.6 – Optional Online Tutorial			

In completing the remaining questions, if your response differs in terms of providing services for a module, note and clearly explain the differences.

**6.2 COMPANY INFORMATION –
BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS
IN SECTION 6.2**

1. Give a brief history of your Company. Supply an audited financial statement for the most recently closed fiscal year and a copy of your Company strategic business plan.
2. Is your Company a subsidiary or affiliate of another Company? Give full disclosure of all direct or indirect ownership.

3. Describe any pending agreements to merge or sell your Company.
4. Has your Company undergone a change in senior management in the last five years? Describe the change in detail.
5. Is the package of services being quoted provided under a joint venture arrangement? If so, describe the arrangement, its terms and conditions and whether your Company and the other companies have been involved in similar joint ventures in the past.
6. Indicate whether any services will be subcontracted to another Company and fully describe these services and the stability, background, and qualifications of the Company that will provide the services, including that Company's audited financial statements for the last three years. This should include production, printing, mailing and other design and support services. Indicate the terms of the subcontractual relationship and how you will assure quality service from your subcontracted companies, if used.
7. Has your Company ever filed a petition or has your Company been petitioned into bankruptcy or insolvency or has your Company ever made any assignment for the benefit of your creditors? If so, provide complete details.
8. Describe your errors and omissions coverage. Describe the various types of insurance coverage and indemnification provided to protect clients, including:
 - Risks covered
 - Carriers
 - Levels
 - Limits
 - Deductibles

6.3 EXPERIENCE –
BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS IN SECTION 6.3

1. Provide a history of your Company with respect to education and customer support for the services you are proposing. What is the size of your Company's education and customer support business in total dollars? As a percentage of your Company's total business?
2. For how many clients does your Company currently provide general defined contribution* education services, including investment education and retirement planning? As of 12/31/00 provide the following information:

Plan Size	Number of Plans	Average Number of Years Company Has Provided Service	Average Number of Investment Options	Total Assets
Under 500 participants				
500 to 999 participants				
1,000 to 4,999 participants				
5,000 to 9,999 participants				
10,000 to 24,999 participants				
25,000 to 49,999 participants				
50,000 to 99,999 participants				
Above 100,000 participants				
Total				

*Defined contribution includes 401(a) defined contribution, 457, 403(b), and 401(k) plans.

3. For how many clients does your Company currently provide general defined benefit education services? Use the same chart above.
4. Within the last five years, how many clients has your Company provided similar services to what your Company is proposing? Provide details on the employer, including number of participants and amount of plan assets. Provide a brief description of the services.
5. For each of the services you are proposing, provide five client references most like DRS, including any large public sector plans to which you have provided non-traditional participant education services. Fully describe the circumstances of your engagement and include the following:
 - Company name
 - Contact name and title
 - Telephone and fax numbers
 - Length of relationship
 - Whether the relationship specifically involved transfer education services.
6. What distinguishes your education, communication and customer support services from that of other companies?

**6.4 CONTRACTUAL ISSUES-
BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS
IN SECTION 6.4**

1. Has your Company been involved in litigation in the last five years or is there any pending litigation arising out of your performance or participation in the services that your Company is proposing? If so, please describe. Exclude routine interpleader actions, garnishments, and similar routine matters involving participants and beneficiaries that do not reflect on your performance of your contract.
2. Has your Company been cited or threatened with citation within the last five years by federal or any state regulators for violations of any state or federal law and impending regulations? If your answer is yes, please describe fully.
3. For the services your Company is proposing, has your Company had a contract terminated by a client for cause within the last five years? If so, by whom and under what circumstances? Provide the name and telephone number of each client that has terminated your Company's services.
4. For the services your Company is proposing, has your Company had a contract non-renewed by a client within the last five years? If so, by whom? Provide the name and telephone number of each client that has non-renewed your Company's services.
5. Is your Company licensed to conduct business in the State of Washington? If not, please attach an opinion of counsel giving his or her opinion as to whether he or she anticipates any difficulties in obtaining all necessary licenses prior to the effective date of the contract. Does delivery of all your services comply with all federal and State of Washington regulations? If not, specify.
6. If applicable, in the past five years, has your Company ever been denied a license to do business, a license as an agent or broker, or any other license? If so, please state the date of the denial, the license denied, the state in which the license was denied, the reason given for denial of the license, whether there has been a bona fide change of ownership or management since your license was denied and whether you have eliminated the cause for which the license was denied.
7. In the past five years, has your Company ever had a license to do business, an agent/broker license or any other license revoked or suspended? Has your Company ever been reprimanded by a licensing agency? If so, please describe fully.

**6.5 CLIENT SATISFACTION –
BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS
IN SECTION 6.5**

1. Describe in detail how your Company proposes to ensure DRS's satisfaction with the proposed services being proposed by your Company, including:
 - a. Formal and informal oral and written communication with DRS
 - b. Inquiry and problem resolution processes
 - c. Other: _____
2. What safeguards would you use to assure DRS that it is informed of all complaints or unresolved issues regarding your Company's proposed services? How will you notify DRS of these issues? Describe how staff is trained to handle dissatisfied customers. Note that any significant complaints not resolved within three working days must be brought to DRS's attention.
3. Describe how you propose to handle coordination with other Education Service Vendors and DRS to minimize and resolve customer complaints. What steps do you propose to take to coordinate services with other Education Service Vendors to minimize potential problems? Describe any similar situations you have been involved in and how you addressed problems.

**6.6 IMPLEMENTATION PLAN –
BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS
IN SECTION 6.6.**

1. For each of the modules for which your company is proposing to provide services, provide a detailed work plan and flow chart of activities, responsibilities, and time frames for the implementation activities. Provide an estimate of the type and amount of resources that DRS will need to provide to your Company during each implementation process.
2. How will your Company guarantee that it will satisfactorily conduct the implementation processes and meet the various implementation dates as required?
3. Describe situations in which your Company has provided similar services and any innovative solutions or procedures that were used. Describe the

experience and capabilities that your Company will bring to this assignment that will benefit DRS.

4. List the expected members of the implementation team(s) who will work with DRS. Indicate which team members will work on what aspects of the implementation(s). Will any of these team members be assigned to be in the State of Washington during the implementation period(s)? Will any of these team members be assigned to be in the State of Washington during the transfer education period(s)? Will any of these team members be assigned to be in the State of Washington during the New Member Plan Choice Education period(s)?
5. Please describe how your company would manage change control or any changes required to your Company's proposed services subsequent to program implementation. (For example, changes resulting from legislative changes or quality assurance feedback.) If applicable, please describe how you would charge for these services.

6.7 STAFFING—

BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS IN SECTION 6.7

1. Describe the overall client-staffing plan that your Company proposes for the delivery of each of the education services your Company is proposing. Describe differences for modules for Transfer Education vs. New Member Plan Choice.
2. For each module in your proposal, name the person who will have overall, hands-on responsibility for delivering each education service. Provide the resume for the individual(s) including his or her qualifications, experience, number of years with your Company and primary work location. Describe the duties and responsibilities that this person will have. Describe the percentage of time this individual will dedicate to DRS's education campaigns. Indicate how you will ensure that this will be adequate staffing for providing the services for each of the education modules. Indicate what flexibility you have in staffing for each module separately and in combination. Describe what impact this will have in your Fee Proposal.
3. Will your Company be hiring additional staff for any of the proposed services? Will your Company be using independent contractors or temporary employees? If so,
 - a. Indicate how many additional staff members, independent contractors and/or temporary employees you will be hiring.
 - b. Provide details on the employment relationship.
 - c. Describe the recruitment and hiring procedures to be used.

- d. Indicate what steps you will take to ensure the quality and professionalism of these individuals.
4. Indicate which types of individuals are expected to receive variable compensation (such as commissions, bonuses, or incentive compensation) as the result of services performed under this contract with DRS. If any of these individuals do receive variable compensation, describe these compensation arrangements and what percentage of each type of individual's total pay is expected to be provided under the variable compensation arrangement.

**6.8 COMMUNICATIONS –
BIDDING EDUCATION SERVICE VENDORS MUST RESPOND TO ALL QUESTIONS
IN SECTION 6.8**

1. For each module, fully describe how your Company intends to conduct the activity. Provide a detailed communication plan(s) and provide a proposed timetable(s). Fully describe the various materials to be provided and the content of each type of group or individual educational sessions. Your plan(s) should also enumerate and describe in detail all written and visual communication materials and how these materials will be distributed (e.g., payroll stuffers, distributed at group educational meetings, available on the Internet, mailed to employees' homes, etc.). Each communication plan should be comprehensive and relational, describing how each component and module would interface with others, including services provided by other education service providers and/or DRS. It should provide your Company's recommendations for how the services should be provided.
2. For each module and education component (including the Web site, the videotape, the modeling software, as well as print pieces such as brochures, newsletters, statements and administrative forms), itemize the number of design and development hours by category of employee (e.g., graphic designer, communications consultant, writer and programmer). Provide estimates of what percentage of each are internal vs. external resources.
3. Describe your Company's communications philosophy. How does your philosophy differ from your competitors? What aspects of it will ensure the DRS has a successful education campaign?
4. Describe how you intend to ensure that DRS is involved in the development of these communication materials and that OSA has adequate time to review and approve the modeling software and other projection related materials that are developed. Describe how you propose to

incorporate this input and approval without delaying the development and production of materials and what turnaround and similar requirements you would impose.

6.9 Module 2.2.1 – Written Materials

RESPONDENTS MUST RESPOND TO QUESTIONS IN SECTION 6.9 ONLY IF BIDDING ON MODULE 2.2.1 SERVICES.

2.2.1a PERS Plan 3 Informational Mailing,

- Transfer Education/New Member Plan Choice

2.2.1b In-Person Group Educational Materials,

- Transfer Education/New Member Plan Choice

1. Provide samples of materials, including publications and audio/visual presentations, that you have used in similar situations, along with a description of how you will customize these materials for DRS. Your approach should educate employees about the differences between the two plans and all aspects of the transfer decision. Indicate how your company will present all necessary information in an accurate and clear manner and fully disclose all issues, both positive and negative, so that each employee may determine whether he or she should elect to transfer to PERS Plan 3.
2. Fully describe how your Company will ensure that information provided will be complete and impartial. Describe similar situations in which you have provided general choice education materials and specifically how you Company designed materials to ensure they were unbiased and impartial.
3. What features and approaches do you incorporate in your written materials that make them easy for participants to understand? How do you design materials that are appropriate for all audiences? What experiences can you share with DRS that demonstrate your Company's ability to prepare written materials that will enhance the written materials you will provide?
4. Describe in detail one situation in which written materials prepared by your Company were integral to the success of a client's education campaign. Provide reference information for this client.
5. Describe how you would ensure all written materials, and audio/visual presentations you develop for the PERS Plan 3 New Member Plan Choice program will be successfully transitioned to DRS staff for long term use by DRS?
6. Describe how you would coordinate the mailing of all member materials, including the inclusion of the video tape in the member packets.

6.10 Module 2.2.2 – Modeling Software

RESPONDENTS MUST RESPOND TO QUESTIONS IN SECTION 6.10 ONLY IF BIDDING ON MODULE 2.2.2 SERVICES

- **Transfer Education/New Member Plan Choice**

1. What steps will your Company take to ensure the accuracy of the calculations in the modeling software? How will your Company ensure that the modeling software is widely used by customers?
2. Provide a sample of modeling software that your Company has prepared. Reference and access to a test site is acceptable.
3. Describe the specific features that will be incorporated in this software that will make it easy for members to use.
4. Has this software or a similar version of it been used by employees of other clients? List the situations and the number of employees who were given access to the software. Were member focus groups, satisfaction surveys, or similar vehicles for employee feedback conducted? For each situation, provide a summary of the results of the feedback.
5. Indicate whether you expect there will be any features of the State's program that will present challenges in preparing the modeling software and your preliminary recommendations for addressing those issues.
6. Describe how you will modify the software you develop for the transfer education audience to create useful software for the New Member Plan Choice audience.
7. Explain your past experience working with actuarial assumptions and verification as they relate to the creation of modeling software. Please be as detailed and explicit as possible. If you have worked with an outside organization to ensure that your software meets actuarial standards, please provide the name of a contact person from that organization, who we can contact as a reference.

6.11 Module 2.2.3 – Video

RESPONDENTS MUST RESPOND TO QUESTIONS IN SECTION 6.11 ONLY IF BIDDING ON MODULE 2.2.3 SERVICES

- **Transfer Education/New Member Plan Choice**

1. Describe and provide a sample of the video you will provide for the initial transfer education component. Provide your recommendation to ensure that the video will be widely distributed and used by customers and employers.

2. Describe and provide a sample of the video you will provide for the New Member Plan Choice Education component. Provide your recommendation to ensure that the video will be widely distributed and used by customers and employers during the New Member Plan Choice Education Program.
3. Describe how you would ensure any informational letters or written education materials developed to be mailed in support of the video meets this goal and provides a “seamless” education delivery service to PERS Plan 3 customers.
4. Describe in detail what techniques will you employ in preparing each of the videos so that the complex and technical information is presented in an engaging and interesting way. Describe why you anticipate such techniques will result in a successful education campaign for DRS.

6.12 Module 2.2.4 – Web Site

BIDDING VENDORS MUST RESPOND TO QUESTIONS IN SECTION 6.12, ONLY IF THE COMPANY IS BIDDING ON MODULE 2.2.4 SERVICES

▪ **Transfer Education/New Member Plan Choice**

1. Describe the Web site you will provide. What capabilities and features will it have? How will you provide participants the capability to download the modeling software and forms? Indicate what relevant experience your Company has that distinguishes your Internet capabilities from your competitors. How will you accommodate both current PERS Plan 2 members who will have a limited transfer window and new members who must select either Plan 2 or Plan 3 within 90 days of their hire date?
2. Describe how you will set up the required links to other Web sites. List other situations in which you provide such custom links for clients. Provide a reference for one of these client situations.
3. Provide details on the capacity of your system to support the requested Web site and the expected volume of traffic.
4. For the web sites customer references provided in response to question 6.3.5, describe the features of each site and provide sample print screens, along with the URL and security access codes so that DRS can view your web site and any access any Internet capabilities. Indicate the time period for which this access will be available to DRS.
5. How do you ensure the confidentiality of member information as they access your web site? What security features are in place to ensure only the correct participant is given personal information?

6. Describe the reports that your Company will provide regarding member Internet usage. Provide sample reports.
7. What vendors provide your Internet hardware and software? How many staff members are employed in the area that supports your Internet system? How many are programmers?
8. How will your site accommodate members with disabilities?
9. How do you propose to meet DRS's need for a 24 hours/day contact person who can correct problems on the site outside of regular business hours.

6.13 Module 2.2.5 – Support Services

RESPONDENTS MUST RESPOND TO QUESTIONS IN 6.13 ONLY IF BIDDING ON MODULE 2.2.5 SERVICES

2.2.5a Toll Free Telephone and E-mail Support Services

- Transfer Education/New Member Plan Choice

2.2.5b In-Person Group Sessions,

- Transfer Education/New Member Plan Choice

2.2.5c In-Person Individual Sessions,

- Transfer Education/New Member Plan Choice

1. Fully describe the professional qualifications and experience of all primary staff who will be directly involved in the oversight or delivery of the telephone and in-person education services, including the person or persons who will be coordinating and interfacing with DRS staff and other education service providers. Describe their education in communication, retirement plans and financial planning. Your response should fully describe professional designations (e.g., CFP, CFA, CEBS CLU,) and licenses held (e.g., NASD Series 6, 7, 63, 65), tenure with your Company, and each team member's roles and responsibilities in providing the proposed services. In particular, describe their education in retirement plans and financial planning. What minimum educational requirements do you have? Include a description of your required licensing and education program, including:
 - Number of hours of training.
 - Training methodology (classroom, on-line, outside classes, etc.).
 - Qualifications of instructors.
 - Performance requirements for satisfaction of training program.
2. How will your Company handle any additional training of educational services personnel in the State's plan and the issues associated with the transfer decision process?

3. How many employees are there in your overall defined contribution/defined benefit education unit? Provide the average length of service of these employees and your turnover rate.

Toll Free Telephone and E-mail Support Services

4. Describe the toll-free telephone system you will provide. Describe its messaging capabilities. Fully describe what information and requests can be handled by this system, as opposed to speaking to a member service representative.
5. What management procedures will you employ to monitor response time and ensure that the representatives are providing telephone support services in a professional manner? How will your Company monitor the performance of contract or temporary representatives?
6. Describe how your member service staffing level will be adequate to provide telephone services without causing members to have undue busy signals or excessive wait times. What commitment will you make to DRS regarding response time?
7. What language services other than English will be available? Confirm your ability to provide TDD services.
8. Provide the following statistics for your member toll-free service line for the six and twelve months ended 12/31/00:
 - Number of calls received.
 - Average response time.
 - Call abort time.
 - Average length of calls.
 - Percentage of calls requiring operator call-back.
 - Percentage of calls going to call messaging system.
 - Average wait time before a call is answered by an operator.
 - Current number of telephone representatives on line during business hours.
9. From what location will member support telephone services be provided? What days/hours will member support service representatives be available? Are you proposing a local service location? If so, include a description of the staff to be headquartered there. In addition to the educational personnel, indicate how many, if any, administrative and/or clerical personnel will be located there. Will some or all of the member service telephone support staff be housed in this location? If not, from where will these telephone support services be delivered? Describe how they will interface with staff at the local service location.

10. Describe the services this office will be able to provide over the telephone and to walk-in customers. List the hours the office will be open. Indicate how after-hours telephone calls are handled. Will calls roll over directly to voicemail or a central customer service center?
11. For the telephone support module, your staffing plan should include your proposal of what you believe to be an adequate number of licensed and/or trained representatives who will be able to provide the necessary member support telephone services. These services must include assistance in evaluating the implications of the transfer decision for current members and the plan choice decision for new members. The number of member support service representatives should be quoted as full time equivalents. Will these representatives be expected to perform any unrelated duties during the transfer education campaign?

In-Person Group & Individual Educational Sessions

12. The RFP lists a minimum number of in-person meetings. Your staffing plan should include your proposal of what you believe to be an adequate number of licensed and/or trained representatives to conduct the necessary number of meetings. If your Company is making an alternate proposal with either a higher or lower number of meetings, indicate why you believe this level is appropriate and the benefits that this number will provide. Details on your Company's alternate proposals should be provided under Section 7.4
13. Describe the training that the in-person educational representatives have in making presentations. Is this training provided internally or by an outside training company? What techniques or approaches are taught that will enable the educational representatives to conduct group and individual meetings in a manner that will result in the success of these educational programs?
14. Fully describe how your Company proposes to coordinate and staff the education and member service activities for the two-phase transfer education and the New Member Plan Choice Education processes. Indicate how many representatives will conduct the in-person group and individual educational sessions. How many representatives will provide telephone support and counseling services?
15. In arranging group transfer and New Member Plan Choice Education sessions, what is the maximum number of members that you would want to attend a session? Indicate the number of group educational meetings that you propose to have. If this number is less than the required number of meetings communicated in the RFP, explain how this lower number of meetings will ensure that all employees will have an opportunity to learn about and

understand the transfer or plan choice decision. If the numbers are greater, provide a cost/benefit analysis for why you believe an increased number of meetings is necessary. Details on your Company's alternative service proposals should be provided under Section 7.4.

16. Indicate how you propose to coordinate meetings so that all interested members have an opportunity to attend a meeting at a convenient time and location.
17. Describe your Company's ability to present to individual participants an analysis of the consequences of the participant's election including the modeling of accumulations and benefits under each plan at assumed rates of inflation, salary increases, projected rates of investment return, life expectancies and other factors. Describe these individual sessions, and what communication materials will be used. Can individual calculations be made and will a laptop computer or other aid be used? How much time do you expect each individual session to last? Can individuals attend more than one session if desired?
18. Describe how your Company will accommodate the need for education sessions to be conducted in one or more languages, other than English.
19. Describe the procedures and safeguards that you use to protect the confidentiality and privacy of information on members.
20. How will you market the sessions to members?

6.14 ADDITIONAL INFORMATION

If the above answers do not sufficiently cover all the pertinent facts that qualify your Company, summarize additional information below.

For the services requested, if your Company would like to propose an alternative approach to providing the services other than the approach described in the RFP, fully describe the alternative(s) and indicate how this alternative approach would provide better overall services to Plan members. Provide the fee impact of the use of this alternative approach in your Company's Fee Proposal under Alternative Service Proposals.

7. FEE PROPOSAL

7.1 PROPOSED FEE

Respondents must provide a Fee Proposal. This includes a cost breakdown for each module included in the Respondent's proposal. This is accomplished by completing and submitting the Cost Form in Appendix 2 and downloadable from the DRS web site, <http://www.wa.gov/DRS/agency/vendors/>

If the Respondent is proposing on more than one module, there may be cost savings resulting from the learning curve effect, reuse of materials, and other factors. DRS is interested in knowing what the cost would be under two conditions: 1) if the Respondent is awarded the contract to provide a single product or services, regardless of the number of modules included in its proposal; and, 2) if the Respondent is awarded a contract to provide all the modules included in their proposal. The Cost Form covers both conditions.

The Respondent's Fee Proposal should take into consideration all requirements described in this RFP. Any deviations, reductions, enhancements, or changes to the services outlined in this RFP must be fully disclosed and described in detail.

7.2 PRICING DETAIL

For each proposed module, the Respondent must provide, at a minimum, the cost information listed in the Cost Form. The Cost Form provides the estimated units, where known. Respondents are encouraged to provide as much detail as possible when completing the form, such as:

- a) The number of meeting hours or days that will be provided and the number of sessions to be conducted,
- b) All training and development costs,
- c) All expenses, including phone line installation and charges, computer hardware and software, and rental costs and expenses,
- d) All expected travel and miscellaneous out-of-pocket costs during in-person education sessions (these expenses must be included in the fee and will be the responsibility of the selected Education Service Vendor),
- e) Descriptions of the materials and the quantities of the various materials to be supplied, listing all design, development, production and mailing costs and postage (these expenses must be included in the fee and will be the responsibility of the Educational Service Vendor),
- f) All costs associated with coordinating and scheduling all services to be delivered, and interfacing with DRS, Education Service Vendor(s) and the PERS Plan 3 record keeper, as necessary, and

- g) Any other relevant parameters that will enable DRS to make appropriate comparisons of Respondent fee proposals.

Use the 'Other' line(s) to add additional details beyond the minimum requested. More lines can be added to the form if needed.

7.3 PRICING ASSUMPTIONS

Each Respondent must fully identify the pricing assumptions and associated unit costs it made in arriving at its fee proposal. These assumptions should include the number of members who will request materials, attend group and/or individual meetings, call the telephone support line or access the Web site; the number of copies of communication materials prepared and distributed, the number of pieces mailed and associated distribution costs and postage, etc. Assumptions may be shown in the 'Estimated Units' field on the Cost Form or as explanatory narrative attached to the Cost Form.

Note that no representations or warranties of any type or kind are made by DRS as part of this RFP as to the volume of activity that may take place or the potential usage of services, telephone center, Web site, materials or tools, or any other factor that might impact the provision of education services.

7.4 ALTERNATIVE SERVICE PROPOSALS

As indicated in the RFP, Respondents are permitted to make proposals for reduced or expanded levels of services; however, at a minimum each Respondent to the seminar module is **required** to provide a fee proposal that includes the required number of meetings specified in the Scope of Services of the RFP. In addition, Respondents may make alternative proposals that use different methods or approaches to the education process. Each alternative should be fully described with complete pricing detail as described above. For each alternative level of services the Respondent should briefly describe the advantages that would result from the alternative level of service.

7.5 CONDITIONS OR EXCEPTIONS

Describe any conditions or exceptions that your Company must impose. Note that it is not expected that any significant required conditions or exceptions to the services required under the RFP will be accepted. Indicate how long you will guarantee the fee proposed for each module.

8. SUPPLEMENTAL INFORMATION

Each Respondent may present any supplemental information that the Respondent deems appropriate. The Respondent may also provide supporting documentation, as necessary, for evaluators to determine relevance and value.

9. EVALUATION AND CONTRACT AWARD

9.1 EVALUATION TEAMS

DRS will designate evaluation teams to evaluate proposals. The teams will determine which proposal(s) are most responsive to the requirements stated in this RFP. The evaluation teams will consist of subject matter experts. The teams will evaluate proposals strictly in accordance with the requirements set forth in this RFP and any addenda that are issued.

One team will evaluate all proposals by module and will generate a score for each module included in the proposal. A second team will evaluate proposals containing more than one module. The second team will assess expected synergies resulting from the vendor performing multiple modules.

The results from the evaluation teams will be forwarded to DRS's evaluation committee comprised of PERS 3 project management and project executive sponsors.

9.2 RESPONSIVENESS

Prior to the evaluations, all proposals will pass through an administrative screening. Any proposal that does not adhere to the RFP format as specified may be considered non-responsive and eliminated from further evaluation and consideration.

9.3 AWARD BASED ON MULTIPLE FACTORS

The evaluation process is designed to award the contract to the Respondent(s) whose proposal best meets the requirements of this RFP. The final selection(s), if any, will be based on the evaluation committee's recommendation after analysis of the Responses to Questions and the Fee Proposal, and finalist interviews, if required. DRS will choose the package of services that best meets the education needs of the program.

9.4 EVALUATION WEIGHTING CRITERIA

Responses to the questions in Section 6 will be organized into the following categories and scored by DRS evaluation teams.

Category	Weighting
Vendor Experience	25%
Customer Service	30%
Staffing Plans and Implementation	20%
Costs	15%
Synergies	10%
	100%

9.5 INTERVIEWS CONDUCTED IF NECESSARY

DRS, at its sole discretion, may elect to select the top two or more Respondents per module for finalist interviews. A Respondent may be a finalist for more than one module, in which case, a single interview would cover all the modules for which the Respondent was a finalist. Oral commitments made by the Respondent at the interview, if any, will be incorporated into the contract and considered binding. If interviews are conducted, the final selection will be based on the combined proposal and interview results. Respondents with whom interviews are conducted will be asked to elaborate on the elements of their proposal.

However, no changes whatsoever can be made to a Respondent's cost proposal. Any such changes may be ground for dismissing the Respondent from the bidding process. Respondents who are unsure as to whether a clarification would be considered a change to their cost proposal should contact the RFP Coordinator, Scott Koura.

9.6 NOTIFICATION TO UNSUCCESSFUL RESPONDENTS

Companies whose proposals have not been selected will be notified via phone, FAX or e-mail message at the number or e-mail address provided in their proposal.

9.7 GENERAL TERMS AND CONDITIONS

The Apparently Successful Respondent will be expected to enter into a contract with DRS which is substantially the same as the sample contract at the end of the RFP (Appendix 1,) including DRS's General Terms and Conditions.

While the Respondent is free to propose changes to the Contract Terms and Conditions, the Respondent is not to submit the Respondent's own standard contract terms and conditions as a replacement for those identified in this RFP and Appendix A. A Respondent's request for substantial modification of the sample contract will be viewed as a non-responsive proposal resulting in disqualification of the Respondent. Determination of what constitutes substantial modification rests solely with DRS.

9.8 DEBRIEFING OF UNSUCCESSFUL RESPONDENTS

Unsuccessful Respondents will be given the opportunity for a debriefing conference. The RFP Coordinator, Scott Koura must receive a written request for a debriefing conference within three (3) business days after the Notification of Unsuccessful Respondent letter is faxed or sent as e-mail to the Respondent. The request may be faxed or sent as e-mail. The debriefing must be held within three (3) business days of the request.

Discussion will be limited to a critique of the requesting Respondent's proposal. Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

9.9 PROTEST PROCEDURE

This procedure is available to Respondents who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Respondent is allowed three (3) business days to file a protest of the acquisition with the RFP Coordinator, Scott Koura.

Respondents protesting this procurement shall follow the procedures described herein. Protests that do not follow these procedures shall not be considered. This protest procedure constitutes the sole administrative remedy available to Respondents under this procurement.

All protests must be in writing and signed by the protesting party or an authorized Agent. The protest must state the grounds for the protest with specific and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included. All protests shall be addressed to the RFP Coordinator, Scott Koura.

Only protests stipulating an issue of fact concerning the following subjects shall be considered:

- A matter of bias, discrimination or conflict of interest on the part of the

evaluator.

- Errors in computing the score.
- Non-compliance with procedures described in the procurement document or DRS policy.

Upon receipt of a protest, DRS will hold a protest review. All available facts will be considered and the DRS Director or his delegate will issue a decision within five (5) business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event the protest may affect the interest of another Respondent that submitted a proposal, such Respondent will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator, Scott Koura.

The final determination of the protest shall:

- find the protest lacking in merit and uphold DRS's action; or
- find only technical or harmless errors in DRS's acquisition process and determine DRS to be in substantially compliance and reject the protest; or
- find merit in the protest and provide DRS options which may include:
 - correct the errors and re-evaluate all proposals, and/or
 - reissue the solicitation document and begin a new process, or,
 - make other findings and determine other courses of action as appropriate.

If DRS determines that the protest is without merit, DRS will enter into a contract with the Apparently Successful Respondent. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.

9.10 PROPRIETARY INFORMATION/PUBLIC DISCLOSURE

All proposals received shall remain confidential until the successful Respondent(s) resulting from this RFP, if any, is announced by DRS's Director or the Director's designee. Thereafter, proposals shall be deemed public records as defined in Chapter 42.17 RCW (the Washington state statute pertaining to accessibility to public records) except as exempted in that chapter. Respondents are advised that the permissible exemptions from public disclosure pursuant to RCW 42.17 are very narrow in scope and strictly construed. In the event that a Respondent desires to claim portions of their proposal as exempt from disclosure under the provisions of the aforementioned RCW, it is incumbent upon that Respondent to clearly identify those portions in a proposal transmittal letter.

The transmittal letter must identify the page and particular exemption(s) from disclosure upon which it is making its claim. Further, each page claimed to be

exempt must be clearly identified by the word “CONFIDENTIAL” printed on the lower right-hand corner of the page.

Designating the entire proposal as confidential is not acceptable and will not be honored and may result in a proposal’s disqualification.

If an official request is made to view a Respondent’s proposal, DRS will respond in accordance with RCW 42.17.250 et seq. If any of the specifically requested information is marked as “confidential” in the proposal, such information will not be made available until three (3) business days after the affected Respondent has been given telephone notice that the information has been requested. If within those three (3) business days the affected Respondent has undertaken proceedings to obtain a court order restraining DRS from disclosure of the requested “confidential” information, DRS will not disclose such information until resolution of the court proceeding. Upon failure to make application for judicial relief within the allowed period, the information will be disclosed.

NOTE: The proposal of the successful Respondent(s) will be incorporated into the resulting contract. Therefore, as part of a public state agency contract, the entirety of the successful Respondent(s)’ proposal will be subject to public disclosure regardless of any claim of confidentiality or previously applicable statutory exemption. Nevertheless, should a successful Respondent obtain a court order from a Washington state court of competent jurisdiction prohibiting disclosure of parts of its proposal prior to the execution of the contract incorporating the same, DRS will comply with the court order. The burden is upon a successful Respondent to evaluate and anticipate its need to maintain confidentiality and to proceed accordingly. Timeliness will be of the essence; a delay in execution of the contract to accommodate a petition to the courts will not be allowed.

10. DRS RIGHTS

10.1 PROPOSAL REJECTIONS

Determination of clarity and completeness in the responses to any of the provisions in this RFP will be made solely by the DRS evaluation team. DRS reserves the right to require clarification, additional information, and materials in any form relative to any or all of the provisions or conditions of this RFP.

DRS reserves the right to reject any or all proposals at any time prior to the execution of a contract acceptable to DRS, without any penalty to DRS.

10.2 CONTRACT AWARD

DRS intends to award the contract to the Respondent(s) with the best combination of attributes based on the evaluation weighting criteria listed in Section 9.4 of this RFP. Should DRS fail to enter into a contract with the Apparently Successful Respondent(s), DRS reserves the right to award a contract to the next most qualified Respondent(s).

10.3 PUBLICITY

No informational pamphlets, notices, press releases, research reports, and/or similar public notices concerning this project may be released by the Apparently Successful Respondent(s) without obtaining prior written approval from DRS.

10.4 WAIVERS

DRS reserves the right to waive specific terms and conditions contained in this RFP. It shall be understood by Respondents that the proposal is predicated upon acceptance of all terms and conditions contained in this RFP unless the Respondent has obtained such a waiver, in writing, from the RFP Coordinator, Scott Koura prior to submission of the proposal. Any waiver, if granted, will be granted to all Respondents.

10.5 RECORDS RETENTION

After the date of the announcement of the Apparently Successful Respondent(s), DRS will retain one master copy of each proposal received for a period of six years. However, due to limited storage capacity and workspace efficiencies, those copies may be moved from DRS headquarters to the Washington State Records Center in Tumwater, Washington, at the end of six months from the date of announcement of the Apparently Successful Respondent(s). Thereafter, accommodation of any request made pursuant to Chapter 42.17 RCW to examine and/or photocopy proposals submitted in response to this RFP will be necessarily delayed in order to retrieve the requested records. However, DRS will retain, at its headquarters, and archived after the contract period is over, copies of the proposal(s) from the Apparently Successful Respondent(s) for a period of six years from the execution date of contracts resulting from this procurement.